

## Remarks Prior to a Meeting With the President's Drug Policy Council and an Exchange With Reporters

December 12, 1996

*The President.* Good morning. First, I'd like to thank Director McCaffrey and the other Cabinet and agency officials who are here for the second meeting of the President's Drug Policy Council.

Before we begin the meeting I'd like to make two brief announcements: first, an important step we are taking to break the cycle of crime and drugs in the revolving door between prisons and drug use.

In the last Congress, we pushed for and passed legislation which requires States to drug-test prisoners and parolees as a condition for receiving prison grants from the Federal Government. Today I'm pleased to announce that the Justice Department has developed drug test guidelines for the States that will help them to meet the requirements of the legislation. This law says to inmates, if you want out of jail you must get off drugs. And it says to parolees, if you want to stay out of jail you must stay off drugs. If you go back on drugs, then you have to go back to jail. The new guidelines call for every State to submit a plan for drug testing, for interventions, for sanctions to the Attorney General within 14 months as a condition of receiving Federal prison funds.

We know this effort will work. A recent report shows that in Delaware, prisoners who got treatment in prison and during work release were 75 percent drug-free and 70 percent arrest-free after 18 months. But 80 percent of the prisoners who did not receive treatment went back on drugs, and two out of three were arrested again. There is a huge connection between crime and prison population and drug use which we are now strongly determined to break.

Also let me say, in light of the recent initiatives in Arizona and California, I have instructed General McCaffrey and the other members of the Cabinet and the Drug Policy Council to review what our options are to make sure that we do not do anything that will increase drug use and that instead we do whatever we can to decrease drug use. And we will look at what our options are under Federal law to proceed there.

I am confident we can make real progress here, but I am not unmindful of how difficult the challenge is. And you can see by the people around the table and by the work that General McCaffrey has done that we're going to work together, and we're very hopeful.

General, thank you.

*Gen. Barry R. McCaffrey.* Thank you, Mr. President.

Well, we could proceed with the press out of the room. It probably would be helpful. *[Laughter]*

### *Second Term Transition*

*Q.* Before we go, can we just ask if you've had a chance to discuss with Attorney General Reno her future, because that seems to be up in the air right now?

*The President.* No, I've got about—there are four or five of my Cabinet members I haven't yet met with, but I'm going to try to get it all done by the end of the week.

*Q.* Do you think tomorrow at the press conference you'll have some Cabinet announcements?

*The President.* I don't know—oh, I might, I might.

*Q.* Could you give us a sneak preview? *[Laughter]*

*The President.* You know how this is, you all—we're partners in this deal, and you've got to have something every day. And so you've already had a good day today. I've got to give you something tomorrow now. *[Laughter]*

### *District of Columbia*

*Q.* Do you think it's appropriate to spend \$1 billion on the District of Columbia, as the control board is suggesting?

*The President.* Well, I don't want to comment on the specific recommendation. Let me say this: I believe that every American has a stake in seeing the District of Columbia succeed. And the kind of netherworld, almost, relationship it has with the Federal Government has been a mixed blessing. And we have tried over the last 4 years to intensify our efforts—I know Secretary Cisneros, for example, has done a lot of work to try to reduce homelessness here.

But I believe that one of the things I should be doing in the next 4 years is to make a more disciplined, organized effort and try to forge a partnership with the Congress—I know Speaker Gingrich, at various times, has expressed an interest in this—to try to do more to help the District of Columbia to be the kind of city it ought to be. And I intend to put a real priority on it. But I don't want to get into a dollar discussion now because I don't know enough about it to have an informed opinion.

Thank you. I can't wait to see you tomorrow. [Laughter]

Q. Might see you tonight.

The President. Did you get your crossword puzzle, Mara [Mara Liasson, National Public Radio]? [Laughter] You were in the crossword puzzle yesterday, and I worked the whole puzzle. I gave it to McCurry. He's got a copy of it. Yesterday's USA Today crossword puzzle stars you. [Laughter]

NOTE: The President spoke at 11:57 a.m. in the Cabinet Room at the White House.

## The President's News Conference December 13, 1996

### *Second Term Transition*

The President. Good afternoon. Please be seated.

As President, I have worked to keep the American dream alive for all those who are willing to work for it, to restore economic growth, and to put our Nation on the path to long-term prosperity. One of the accomplishments I'm proudest of since 1992 is the way our economic advisers have worked as a team to advance America's interests at home and abroad. Working together, this team has helped to cut our deficit by 60 percent; increase our investments in education, the environment, and technology; expand America's exports to record levels; and to help our economy create nearly 11 million new jobs.

Today we see new results of that kind of teamwork. American negotiators have agreed with the other members of the World Trade Organization on a landmark information technology agreement, the pact that I worked so hard on at the APEC meeting in Manila recently. I am pleased that it will eliminate by the year 2000 all tariffs on computers, semiconductors, and telecommunications equipment. That's a \$5 billion cut in tariffs on the American products exported to other nations. America leads the world in these industries, and this agreement means that there will be extraordinary new opportunities for American businesses and workers, so the American people can

reap the rewards of the global economy as we move into the 21st century.

Today I'm pleased to introduce most of the members of the team that will build on our work.

The Treasury Department has never been in better hands. Bob Rubin has been the captain of our economic team for 4 years, first as Director of the National Economic Council, and now as Secretary of the Treasury. And I am pleased that he will stay on.

Larry Summers will continue as Deputy Secretary of the Treasury, and we'll be calling upon his unique policy and analytic skills in an enhanced capacity. Today I am also naming him as a principal on the National Economic Council, which will benefit greatly from his expertise in domestic and international economic policy.

As we work toward a balanced budget, the Office of Management and Budget will play a critical role, because we have to do it in a way that reflects our values and the other policy objectives of this administration. Frank Raines has been on the job there for several months now, working hard to reach a bipartisan agreement on a balanced budget plan. I am happy to say that after 4 months he has agreed to stay on the job, in a job that is often the biggest headache in town.

To prepare America for the 21st century, we must maintain a strong Commerce Department. In the last 4 years, two exceptionally gifted leaders, my friends the late Ron Brown and Mickey